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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Cellular Service and Other Commercial Mobile Radio
Services in the Gulf of Mexico

Amendment of Part 22 of the Commission's Rules to
Provide for Filing and Processing of Applications for
Unserved Areas in the Cellular Service and to Modify
Other Cellular Rules

WT Docket No. 97-112

CC Docket No. 90-6

To: The Commission

COMMENTS OF 360° COMMUNICATIONS COMPANY

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To: The Commission		

COMMENTS OF 360° COMMUNICATIONS COMPANY

360° Communications Company ("360°")¹ hereby submits its comments on the Commission's Second Further Notice of Proposed Rule Making ("Notice") in the above-referenced proceeding.

I. SUMMARY

360° applauds the Commission's efforts to address the provision of cellular service in the Gulf of Mexico and, by doing so, finally to lift restrictions on the effective coverage of shoreline areas along the Gulf's perimeter. As detailed below, 360° generally supports the proposed division of the Gulf of Mexico Service Area ("GMSA") into two service zones.

¹ 360° is the second largest publicly held cellular company in the United States, offering wireless voice and data service to nearly 2.3 million subscribers in more than 100 markets in 16 states. 360° operates a number of cellular systems in Florida that abut the Gulf of Mexico.

This approach will afford Gulf licensees the flexibility to respond to the changing needs of their unique water area, while also ensuring the provision of cellular service to highly traveled coastal waters. Importantly, this approach will also finally provide an opportunity for land-based carriers to obtain the contour extensions they need to serve the shoreline areas of their markets.

360° has significant concerns, however, about the proposal to permit Gulf licensees to locate transmitters on land without the land-based carrier's consent. In addition to being based upon a false assumption regarding the build-out of coastal markets, the proposal raises questions as to its consistency with the Commission's well-established extension policies and the serious interference and capture problems these policies are designed to prevent.

Finally, 360° submits that the longstanding and acute need for cellular service in land-based areas adjacent to the Gulf demands that the Commission permit *de minimis* extensions into the Gulf – at least on an interim basis -- during the pendency of this rulemaking. The public interest is not served by further delaying the provision of cellular service to these populous shoreline areas for the one and one-half years or more that it will take to complete this rulemaking and license service providers for the Coastal Zone.

II. COASTAL LICENSEES AND THEIR CUSTOMERS HAVE LONG BEEN AWAITING RELIEF TO PERMIT THE EXPANSION OF CELLULAR SERVICE WITHIN LAND-BASED MARKETS ADJACENT TO THE GULF

Since May 1994, when the U.S. Court of Appeals for the District of Columbia Circuit vacated and remanded the Commission's order redefining the Gulf licensees' Cellular Geographic Service Areas ("CGSAs") and establishing procedures for the treatment of

unserved areas in the Gulf,² land-based cellular carriers abutting the Gulf of Mexico have been effectively precluded from serving the busy beachfront areas in their markets. The court's decision restored the old CGSA definition for the Gulf licensees.³ In the case of the Block A carrier, the CGSA was defined as the western portion of the GMSA;⁴ in the case of the Block B carrier, the CGSA was defined as the entire Gulf of Mexico.

At the same time, notwithstanding the fact that the old Gulf CGSA definition was reinstated, all other aspects of the new cellular regulatory regime were implemented. These new regulations were based upon the premise that a licensee would be providing actual coverage (at least as calculated under the Commission's formula) within all areas of its CGSA. Accordingly, the Commission adopted regulations to ensure that a licensee had full interference protection within its CGSA. To that end, Section 22.911(d)(2)(i) specifically provides that "cellular licensees must not begin to operate any facility that would cause an SAB to overlap the existing CGSA of another cellular system on the same channel block, without first obtaining the written consent of the licensee of that system."⁵ Further, Section

² *Petroleum Communications, Inc.*, 22 F.3d 1164 (D.C. Cir. 1994).

³ Under the old CGSA definition, Gulf licensees were not subject to any minimum coverage requirements but could define their CGSA any way they chose.

⁴ 360° understands that an application to define the Block A licensee's CGSA as coterminous with the entire Gulf of Mexico is pending.

⁵ 47 C.F.R. § 22.911(d)(2)(i). This provision was originally adopted as Section 22.903(f). *See Amendment of Part 22 of the Commission's Rules To Provide for Filing and Processing of Applications for Unserved Areas in the Cellular Service and To Modify Other Cellular Rules*, Memorandum Opinion and Order on Reconsideration, CC Docket 90-6, 8 F.C.C. Rcd 1363 (1993). It was recodified at Section 22.911(d) when Part 22 was rewritten in 1994. *See Part 22 Rewrite*, 9 F.C.C. Rcd 6513 (1994).

22.912(a) permits de minimis extensions into adjacent markets only if the proposed contours ". . . do not extend into the CGSA of any other licensee's cellular system on the same channel block (unless the licensee of such other system consents to the extension). . . ."6

The effect of this juxtaposition of the old Gulf CGSA definition and the new cellular regulatory regime has been that, since the Court's decision, cellular licensees of markets along the coast have been effectively precluded from creating any new extensions into the Gulf without the Gulf licensee's consent. This has been true even though, in most cases, such proposed extensions would not fall anywhere near the Gulf licensee's authorized SAB or areas of actual cellular coverage.

While this result has affected all coastal licensees, it has had the most serious repercussions on licensees in coastal RSAs. Many of these entities were only partially through their five-year build-out period at the time they were foreclosed from having any extensions into the water areas adjacent to their markets. The irregular shape of coastal boundaries combined with the shape of SABs calculated pursuant to the Commission's Rules has meant that this pending remand effectively precluded the provision of reliable cellular service to busy beachfront areas, including barrier islands.⁷ Since May 1994, customers in these shoreline markets have been clamoring for better – *and, in some cases, any* – cellular service in the heavily traveled beachfront highways, communities, and recreational areas. Yet, due to this

⁶ 47 C.F.R. § 22.912(a).

⁷ See Declaration of James V. Stewart attached as Attachment A. As described therein, the areas of reliable cellular service – especially for the increasingly popular portable units – is significantly smaller than the contours generated by the Commission's formula.

unfortunate juxtaposition of old and new regulatory regimes, these licensees have for three long years now been unable to meet this pressing demand.

360° is able to attest to the hardship suffered by the public during the past three years as a result of its curtailed operations in markets adjacent to the Gulf.⁸ While 360° would like to provide the service to meet these needs, the characteristics of radio signal propagation combined with limitations on potential transmitter sites has made it impossible to do so consistent with the Commission's limitations on SAB extensions. 360° has attempted to obtain consent from the co-channel Gulf licensee to permit extensions into the Gulf, but was unsuccessful in its efforts to do so.

III. THE PROPOSED DIVISION OF THE GMSA WILL FACILITATE THE PROVISION OF SERVICE IN THE GULF AS WELL AS TO ADJACENT SHORELINE AREAS

360° generally supports the Notice's proposal to divide the GMSA into two licensing zones – the GMSA Exclusive Zone and the GMSA Coastal Zone. Once implemented, this licensing scheme should address the problem described above. The adoption of this proposal should also accomplish the Commission's objectives of establishing a comprehensive regulatory scheme that will provide the necessary flexibility to Gulf carriers to meet the changing needs of their unique area as well as ensure the provision of cellular service to well-traveled coastal water areas by carriers that value the spectrum most highly and will maximize its use.

⁸ Attached as Attachment B is a sampling of customer letters 360° has received requesting better coverage of the shoreline in these markets.

Indeed, the concept of a Gulf Exclusive Zone makes tremendous sense as a means of addressing the needs of Gulf licensees to modify their systems in response to the changing needs of the Gulf population. Transmitters in the Gulf are usually located on oil and gas company platforms, which are notoriously transient. The proposed policy would permit the Gulf licensees to modify their systems to provide service to new or relocated platforms without facing competing applications and without being subject to the delays and other burdens associated with obtaining prior agency approval (so long as the proposed contours remain within the GMSA Exclusive Zone or meet the Commission's contract extension requirements).

360° also strongly agrees that a separate GMSA Coastal Zone will serve the public interest. Opening up this truly unserved area to interested service providers will at last provide an opportunity for shore-based licensees to obtain the extensions they need to serve the beach areas within their land-based markets. Further, the high volume of cellular traffic in coastal waters plainly justifies a policy that facilitates the implementation of widespread, reliable coverage within the GMSA along the shoreline. It is essential that land-based carriers be eligible to serve this zone. In many cases, land-based carriers will be the ones able to serve the coastal Gulf area most efficiently and effectively. Rather than having to build a whole new infrastructure (which could be limited or significantly delayed by local zoning and other restrictions), land-based carriers can quickly initiate service to these areas by simply modifying their existing facilities.

In this regard, it makes sense to define the GMSA Coastal Zone in a manner that would ensure that land-based licensees have an opportunity effectively to serve it. 360° has no objection to the Notice's proposal to define the Coastal Zone as the area within 12 miles of shore. However, it strongly urges the Commission to ensure that any such boundary be

defined clearly and in a way that is administratively simple to understand and apply. This will help to avoid contentious extension and interference disputes in the future.

Regardless of how the boundary of the GMSA Coastal Zone is ultimately defined, 360° agrees with the Notice that it is essential to grandfather existing CGSA extensions into this area. Grandfathering existing contour extensions would avoid loss or derogation of service to customers who have come to rely on such communications capability. This approach would also be fully consistent with the Commission's existing licensing rules and unserved area policies.⁹ There is no basis for departing from this balanced approach in the GMSA context.

As for the appropriate propagation formula to be used in the GMSA Coastal Zone, 360° advocates an approach that is straightforward and would not unduly burden licensees. For this reason, 360° strongly opposes the use of a hybrid formula where the proposed contour would extend partially over land and partially over water. Not only would this approach be difficult and resource-intensive for licensees to calculate,¹⁰ it would be impossible for the agency to monitor and regulate.¹¹ Moreover, there appears to be no countervailing benefit associated with such a hybrid formula. The Commission appropriately rejected this

⁹ In adopting its unserved area rules for land-based areas, the Commission grandfathered existing contour extensions, classifying them as part of the extending carrier's CGSA if the incumbent carrier did not serve that area at the end of its five-year build-out period. *Amendment of Part 22 of the Commission's Rules To Provide for Filing and Processing of Applications for Unserved Areas in the Cellular Service and To Modify Other Cellular Rules*, First Report and Order and Memorandum Opinion and Order on Reconsideration, CC Docket 90-6, 6 F.C.C. Rcd 6185, 6229 (1991).

¹⁰ It appears that distinctions between land and water may not always be determined by ground elevation, thus requiring the use of expensive digital topology databases.

¹¹ See Declaration of James V. Stewart at Attachment A.

approach “for purposes of administrative efficiency” when it revised its cellular rules in 1992.¹² It should do so again.

Finally, 360° supports the application of Phase II licensing procedures and competitive bidding for mutually exclusive applications to the GMSA Coastal Zone. The Phase II process is well established and would provide the most efficient way of ensuring the provision of cellular service to all Gulf coastal waters as quickly as possible. Indeed, under Phase II procedures, multiple applications that do not propose to cover overlapping areas can be processed and granted simultaneously, thereby speeding service to many areas of the GMSA Coastal Zone at the same time. To the extent that two or more applications propose to serve the same area, the competitive bidding process is the most efficient and effective way to ensure the license is expeditiously awarded to the entity that most highly values it.¹³

IV. THE COMMISSION SHOULD CAREFULLY REEXAMINE ITS PROPOSAL TO PERMIT WATER-BASED CARRIERS TO LOCATE TRANSMITTERS ON LAND WITHOUT THE LAND-BASED CARRIER’S CONSENT

360° has significant concerns about the Notice’s proposal to abandon the existing policy prohibiting Gulf licensees from locating transmitters on land without the consent of the land-based carrier. This proposal is not only premised on a false assumption, but it raises

¹² Notice at ¶ 37. *See also Amendment of Part 22 of the Commission’s Rules to Provide for Filing and Processing of Unserved Areas in the Cellular Service and to Modify Other Cellular Rules*, Third Report and Order and Memorandum Opinion and Order on Reconsideration, 7 F.C.C. Rcd 7183, 7184 (1992).

¹³ 360° also agrees that the proposed one-year construction period appropriately balances a carrier’s need for sufficient time to construct with the public interest in speeding service to consumers.

important questions regarding consistency with the Commission's well-established and well-reasoned extension policies.

As an initial matter, the Notice premises this proposed reversal of policy on the assumption that "RSA licensees have built out their systems, and that the existing limitation on the placement of transmitters on land by water-based licensees is somehow obsolete."¹⁴ Yet, this is simply not the case. As described above, the pending remand of the Commission's order redefining the Gulf licensees' CGSAs has substantially hindered the ability of RSA operators adjacent to the Gulf to build out their systems. By effectively precluding any extensions into the Gulf waters, the Court's decision has substantially prohibited these RSA licensees from constructing the transmitters necessary effectively to serve beachfront areas even though, during the five-year build-out period, these operators were supposed to have been afforded the exclusive right to serve such areas.¹⁵ Now that the impediment to serving the beach areas is being removed, the Commission must consider whether equitable principles require that these RSA operators finally have the opportunity to exercise the exclusive rights previously denied to them.¹⁶

¹⁴ Notice at ¶ 40.

¹⁵ The Gulf licensees have exacerbated this problem by declining to grant consent for extensions. The Commission may want to consider whether licensees that have been permitted to manipulate the Commission's Rules to thwart provision of service in coastal areas should now be able to construct transmitters in these land-based service areas.

¹⁶ Competitive principles also demand this opportunity. Given that the Block B Gulf licensee is authorized to claim the entire Gulf of Mexico as its CGSA while the Block A Gulf licensee is able to claim only the western portion, Block A Florida RSA licensees that abut the Gulf have been able to serve their beachfront areas, while Block B licensees have been impeded in this endeavor. Maintaining the current prohibition would afford Block B RSA licensees an opportunity finally to compete on equal terms.

In addition, in proposing to allow Gulf carriers the right to place transmitters on land, the Notice is unclear as to how this proposal would interact with the Commission's existing policies regarding contour extensions. Sections 22.911(d)(2)(i) and 22.912 of the Commission's Rules currently prohibit any contour extension into another carrier's CGSA without its consent. 360° assumes that the Notice's proposal regarding land-based transmitters would remain subject to that limitation. To do otherwise would raise very serious interference and capture issues in these markets as well as be completely contrary to the Commission's longstanding and well-reasoned cellular regulatory scheme.¹⁷ Adjacent carriers in all other markets are bound by these extension policies. There is no reason to depart from them here.

V. DE MINIMIS EXTENSIONS INTO THE GULF SHOULD BE PERMITTED DURING THE PENDENCY OF THIS RULEMAKING

As indicated above, 360° believes that the Notice's proposal to divide the GMSA into two service zones and to license the GMSA Coastal Zone through the Phase II unserved area process is generally sound and will address many of the problems generated by the Court's

¹⁷ Even assuming the Gulf licensees remain subject to the restrictions in Sections 22.911(d)(2)(i) and 22.912, interference and capture issues are still likely to arise if these carriers are permitted to locate transmitters on land without the land-based carrier's consent. Despite the regulatory restrictions imposed upon them, land-based operators adjacent to the Gulf have attempted to build out their CGSAs as close to the shoreline as possible. Accordingly, the non-CGSA area in which the Gulf licensees could locate land-based transmitters is fairly narrow. The restrictions on locating transmitters on beaches or in coastal park areas compresses this area further. As a result, any land-based transmitter contemplated by a Gulf licensee would necessarily need to be located very close to the land-based carrier's CGSA. Even with the use of directional antennas, significant interference and capture problems are likely to arise. There is also likely to be substantial customer confusion over roaming issues in these areas – particularly as the Gulf carriers' rates are typically much higher than those of land-based carriers. See Declaration of James V. Stewart at Attachment (Continued...)

remand. However, given the time it takes to analyze the comments and draft a well-reasoned order – not to mention the Commission’s already crowded agenda -- the completion of this rulemaking is likely to take a year and probably longer. After that, the time for filing and processing the unserved area applications for the GMSA Coastal Zone and holding any necessary auction will likely take six months at best and probably much more. As a result, it is likely to be at least 18 more months before many of these land-based coastal areas can at last receive cellular service.

Clearly, the public interest is not served by further delaying the provision of cellular service to these populous beachfront areas for another one and one-half years or more. Currently, consumers residing, working or traveling in those areas are unable to enjoy the benefits of such service, including enhanced safety, increased productivity, and general enjoyment. Based upon 360°’s own experience in its several Florida markets abutting the Gulf,¹⁸ consumers in these areas desperately want service and do not understand why government policies preclude them from getting it. Representatives from 360° have met with Commission staff on numerous occasions, seeking a basis for providing service to these unserved customers. To require further delay, awaiting completion of this phase of the regulatory process, would be unfair.

(...Continued)

A.

¹⁸ Over the last several years, 360° has received numerous requests from individuals, businesses and local government agencies located in 360°’s Florida markets abutting the Gulf to improve cellular coverage in these beachfront areas. Among the areas most in need of cellular service are the marinas and coastal islands. Because of the transient nature of the inhabitants and/or the remoteness of these areas, landline telephone service is often not available.

For this reason, 360° urges the Commission to permit *de minimis* extensions into the Gulf of Mexico – at least on an interim basis – during the pendency of this rulemaking. This policy would afford consumers in beachfront areas an opportunity finally to receive the service for which they have long been clamoring. Because the areas just off-shore are generally not being served by the Gulf carriers, there would be no capture or interference issues associated with the grant of these extensions. Further, because *de minimis* extensions are subject to prior agency approval, this interim mechanism would enable the Commission to ensure that the extensions proposed are the minimum needed to provide adequate service to the land-based beach areas. If necessary, the Commission could require that any such extensions granted during the pendency of the rulemaking process be pulled back at the time an entity is licensed to serve some or all of the area through the Phase II unserved area process.¹⁹

VI. CONCLUSION

For the foregoing reasons, 360° generally supports the Notice’s proposal to divide the GMSA into two service zones. However, it strongly urges the Commission not to reverse its policy prohibiting Gulf licensees from locating transmitters on land without the land-based carrier’s consent. It also respectfully submits that public interest considerations require an

¹⁹ Of course, the land-based carrier should also be eligible to seek permanent authority for the extension during that process.

interim mechanism during the pendency of this rulemaking to speed service to consumers in land-based beachfront areas.

Respectfully submitted,

360° COMMUNICATIONS COMPANY

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July 2, 1997

ATTACHMENT A

Declaration of James V. Stewart

I, James V. Stewart, declare under penalty of perjury, that the following is true and correct:

1. Engineer's Profile: I have been a Senior RF Engineer with 360° Communications Company's (360°'s) engineering staff since August, 1995. My responsibilities include RF engineering oversight of 360°'s southeastern markets and direct engineering responsibilities for the Florida Panhandle markets. Prior to joining 360°, I held a number of engineering positions with NYNEX Mobile Communications in Boston, MA for 6½ years. I have a BSEE from the University of Massachusetts at Amherst and a MBA from Babson College in Wellesley, MA.

2. Introduction: There are two primary customer affecting issues that can be attributed to the current 32 dBu contour restrictions into the Gulf of Mexico Service Area (GMSA). The first has to do with the inability of land-based carriers, like 360°, to provide adequate service to customers in coastal areas of markets adjacent to the GMSA. The second is the lack of flexibility that such land-based carriers' engineers have in designing a quality system for current and future customers. A more detailed synopsis for each issue follows.

3. Service Constraints: A prime example of the coverage problems that our customers are experiencing because of the current contour restrictions is in the Grayton Beach, Florida area. Grayton Beach is located approximately 30 miles east of Fort Walton Beach or about half-way between the Fort Walton Beach and Panama City markets. US Rte 98 is the major highway that runs through this area. There are also a number of busy secondary roads that run right along the coast or run between Rte 98 and the coast. The Grayton Beach cell site itself is located along US Rte 98 about 1.4 miles east of the junction with FL Rte 395. In the Grayton Beach area there are a number of exclusive beach-side communities such as Seagrove Beach and Seaside. The original objective of the Grayton Beach cell site was to provide quality cellular service to these communities and the roads serving them. The Grayton Beach cell site was originally to be constructed as a 250' AGL (above ground level) self-supporting tower with omni-directional antennas at the top. However, due to the inability to secure an extension agreement from the Block-B Gulf Carrier, the antennas had to be changed to 60 degree directionals and placed at a 103' AGL centerline. This change in site design meant that the site would fall drastically short of

meeting its coverage objectives. This has proven to be true through actual drive testing and the number of documented customer complaints that have been received by our Fort Walton Beach sales office regarding the poor coverage in the Grayton Beach area. **Attachment #1** is a map that shows the areas of coverage for both mobile (3-watt) and portable (0.6-watt) cellular phones. This coverage is based on a typical predictive analysis of all sites that provide coverage to the area shown.

4. Engineering Constraints: The second issue affecting service along the coast of the GMSA is the lack of flexibility that our RF Engineers have in engineering the cellular system to meet current and future growth needs. This is evident in the Fort Walton Beach market at the Lakeview cell site. This is an omni-directional cell site with a 257' antenna centerline. The 32 dBu contour of this site extends, at its greatest point, about 10 miles into the GMSA. The majority of 32 dBu contour extensions into the GMSA for the other Fort Walton Beach market cell sites fall within the range of Lakeview's contour. Since Lakeview is a core site and other core sites are being built close to this site, it will be necessary, if one follows the generally accepted practice in cellular system engineering, to decrease power levels and/or decrease the antenna centerline height in order to increase capacity at this site. This, however, cannot be currently accomplished due to the fact that such action would make the 32 dBu contours of others sites part of the Fort Walton Beach market's outer boundary. There is no problem from an engineering standpoint in doing this; however, doing so would require new extension agreements from the Block-B Gulf Carrier, which have proven to be nearly impossible to secure in the past.

It should also be noted that due to customer growth in the Fort Walton Beach market, the Lakeview site, as well as other core sites, will require conversion from an omni-directional antenna configuration to that of a sectorized configuration. This change in configurations involves the change-out of the omni-directional antennas currently in use at most of the core sites to one that involves placing directional antennas along pre-determined azimuths. Such a configuration allows the RF Engineer better flexibility in assigning channels, power control, and interference control at the cell site. However, before such a conversion takes place, it would be necessary for 360° to secure extension agreements from the Gulf Carrier. Without such agreements, the engineers at 360° have very little flexibility in the engineering of these coastal markets. In fact, this is a condition that the engineers at 360° have faced for a number of years now.

5. 32 dBu Contour Accuracy Issues: These two issues bring to light the problem RF Engineers across the cellular industry face - the inability of the 32 dBu Carey Contour to accurately portray actual coverage provided by a cellular system. This is especially true today in markets where the primary cellular phone used by a system's customers is the 0.6 "portable" type. While it is recognized that the FCC made the proper decision back in April, 1992, to go from a 39 dBu contour standard to a 32 dBu standard in order to more accurately define a carrier's CGSA boundary and unserved areas, this was done at a time when the vast majority of cellular phones in use were of the 3-watt "mobile" variety.

Today, portable phone usage is more wide-spread and customers demand better coverage in areas that may already indicate "coverage" vis-à-vis the 32 dBu contour. **Attachment #2** shows the disparity in coverage between the 32 dBu contour of the aforementioned Grayton Beach cell site and its respective predictive coverage boundaries for reliable portable and mobile coverage. (It should be noted that the areas outside the predictive boundary are not necessarily indicative of unreliable service. This map only shows coverage from the Grayton Beach cell site.) To provide such coverage, engineers have found it necessary to make changes to antenna systems and power levels that, without intending to do so, extend the 32 dBu contours. While most adjacent carriers understand the limits of the 32 dBu contours in accurately portraying actual coverage and give more weight to predictive analysis, some carriers have continued to use the 32 dBu contour as the only deciding factor in whether to accept or reject an extension agreement.

6. Propagation Formulas: With regard to the FCC's proposal to use a "hybrid" formula in determining contours that cover the Coastal Zone, a number of issues remain unanswered from the Notice. The first is which cell site would be subject to the hybrid formula? Would this include any cell site that has the slightest extension into the Coastal Zone? What about a cell site that extends into the Coastal Zone but also contributes to the outer cloud of an adjacent land-based carrier? A hybrid formula would have to determine where the land/water boundaries exist. Currently the only way to distinguish between water and land areas in predictive models is through the use of digital topography data. This data is extremely expensive and thus would impose an undue burden upon carriers required to use the hybrid formula. Going by a zero mean sea level elevation is not enough since many points on land can be at or below sea level. Given the issues about contour accuracy brought up in Section 4 of this engineering statement, a hybrid

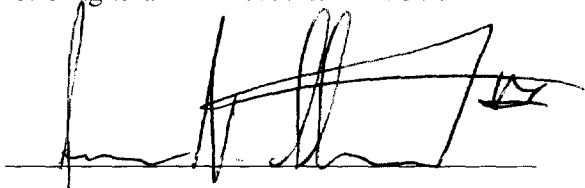
formula could further exacerbate this problem. Given the likelihood that a land-based carrier like 360° would continue to use most of its network to serve its land-based customers, the FCC should continue to allow land-based carriers to use the current 32 dBu contour formula and GMSA carriers to continue to use their water-based formulas for determining contour coverage into the Coastal Zone.

7. Land-Based GMSA Carrier Cell Site Issues: There are three primary reasons why 360° is concerned about the Notice's proposal to allow Gulf carriers to place their transmitters on land without the land-based carrier's consent. The first has to do with the tight zoning ordinances that exist in that part of Florida. Even the well established land-based carriers have had to resort to other means of deploying cell sites within their CGSAs. This typically means placing antenna platforms on water tanks and buildings, if zoning ordinances permit. Such zoning restrictions could force GMSA carriers, if granted the opportunity to do so by the FCC, to co-locate with land-based carriers. Such a scenario could result in a number of problems.

One of these problems would be interference due to co-channel and adjacent channel frequency allocation. It is foreseeable that, in an attempt to serve the Coastal Zone, the output power of the GMSA land-based cell site would be far greater than those of the land-based carriers. Such disproportionality in output powers could result in interference in areas currently served by the land-based carrier. Typically, frequency coordination between same band carriers is conducted, as is mandated by the FCC in 47 CFR 22.907; however, the Florida Panhandle system poses a unique challenge. The majority of the cell sites in 360°'s system are located within 5 miles of the GMSA. There are two major core areas along the coast--Panama City and Fort Walton Beach. The frequency reuse within these cores is very tight. Therefore, it would cause an undue burden upon land-based carriers like 360°, to accommodate and frequency coordinate the placement of same band cell sites by the GMSA carrier within close proximity to these core areas.

A more important issue involves roaming problems. As noted earlier in this statement, there is a major route that runs along the coast between Panama City and Fort Walton Beach - US Route 98. Under current pricing plans, 360°'s customers enjoy the same rates regardless of which 360° market they travel in. If they are a Panama City customer and travel to Fort Walton Beach, the roam light on their phone will come on but they will not be charged for roaming. If the GMSA

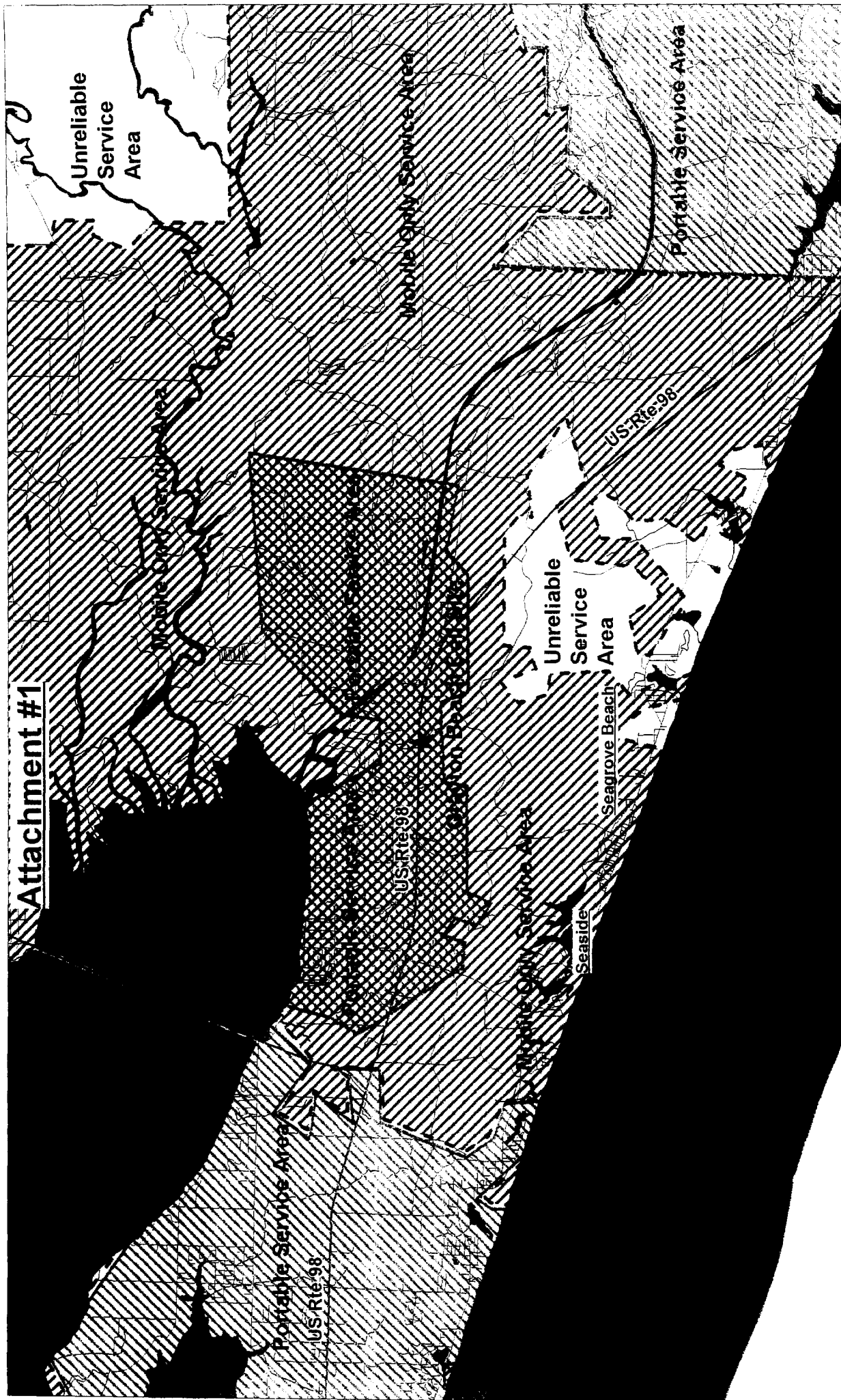
carriers are allowed to place a cell site on land, this could cause a land-based carrier's customers to roam onto the GMSA carrier's system without the customer knowing it and being charged roaming rates and even long-distance charges. Even if the GMSA carrier makes a good faith effort to control their coverage area to serving only the Coastal Zone, there will always be residual coverage on land in proximity to their cell sites, and these interference, capture and roaming issues will continue to exist.



James V. Stewart

July 1, 1997

Attachment #1



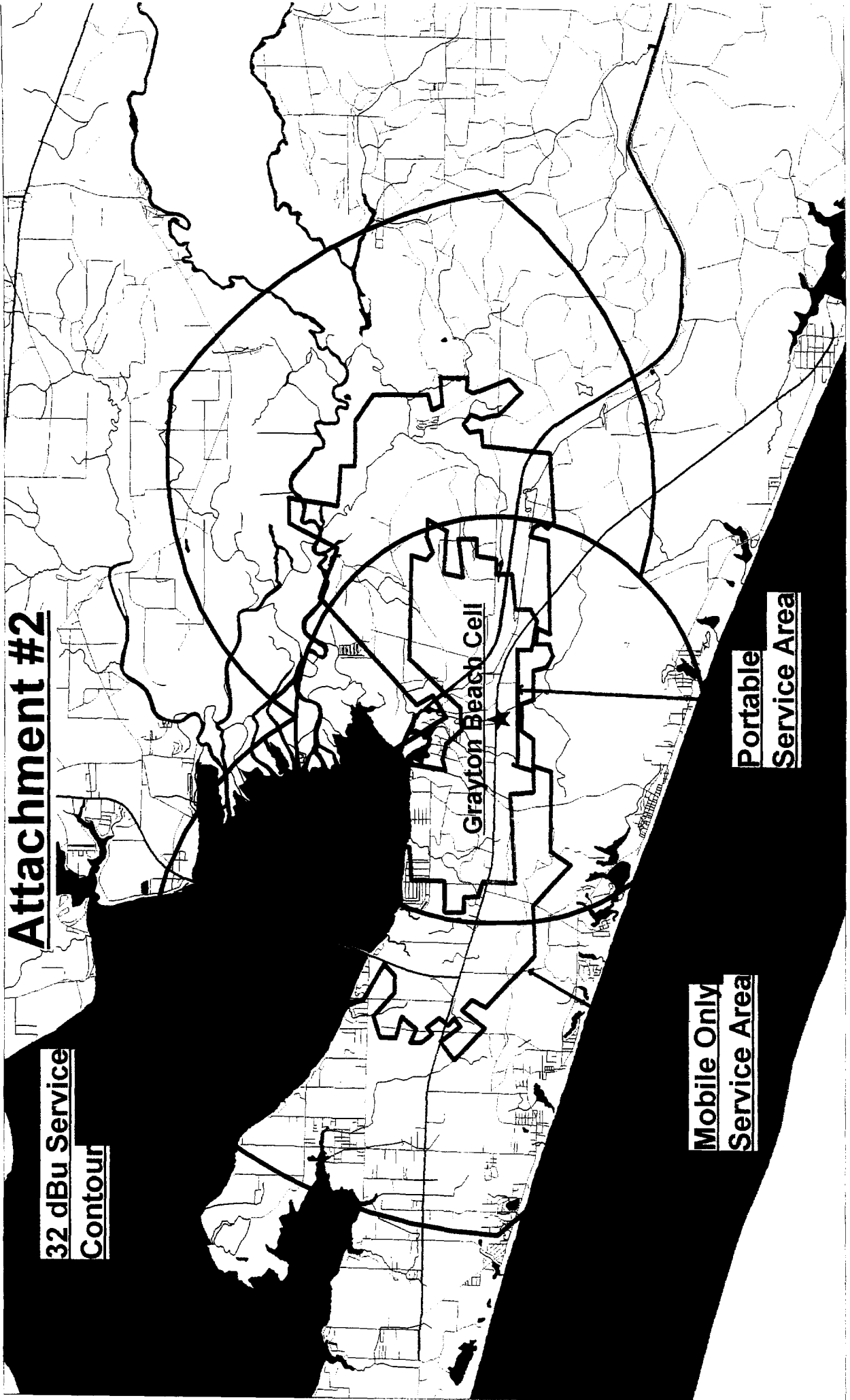
Attachment #2

32 dBu Service
Contour

Grayton Beach Cell

Mobile Only
Service Area

Portable
Service Area



ATTACHMENT B

Department of Emergency Services



E9-1-1 Plus ♦ Emergency Operations ♦ E.M.S.

May 29, 1996

**Ms. Jennie Gies
360 Communications
133 North Beal Pkwy.
Ft. Walton Beach, Florida 32548**

Subject: Cellular Service in the Crystal Beach-Seagrove Beach Areas.

Dear Ms. Gies:

This letter is to inquire about the lack of reliable and effective cellular communications in the subject areas. This area is heavily traveled by tourists, and has a high incidence of traffic accidents. Since there are long stretches of road without a public phone, motorists often rely on cellular phones to use the 911 system. Unfortunately, the cellular signal in this area is often too weak for the 911 call attempts to succeed, especially when the caller is using the ever more popular pocket phone.

We also noticed a significant problem following the hurricanes of last season. Landline communications were interrupted to these areas, and emergency workers relied on cellular phones to coordinate relief and recovery operations. There were many times, however, in which the connection could not be made, was lost, or was of such poor quality that it was ineffective.

Please advise of your company's plans to improve service in this area. The information is necessary for the formulation of our emergency plans.

Sincerely,

**George S. Collins
Emergency Manager**